

California governor campaigns for budget cuts, regressive taxes

Jack Hood, Oliver Richards
26 April 2011

Democratic California Governor Jerry Brown has launched a statewide campaign to promote his proposals to extend regressive taxes as part of a budget-cutting plan that includes deep cuts in social programs. Brown is seeking agreement with Republican legislators that would include further cuts, particularly to workers' pensions.

On May 13, Brown is expected to release his revised budget plan for the next fiscal year. The proposal contains billions in cuts already passed by the legislature and signed by the governor, including cuts in higher education (\$1.4 billion), MediCal (\$1.7 billion), CalWORKS (\$1.5 billion), the Department of Developmental Services (\$750 million) and wages of state employees (\$308 million).

Brown spoke at a meeting held at Hart High School in Santa Clarita, California (in Los Angeles County) April 21 to build support for his plan. He was appearing in the district of Assemblyman Cameron Smyth, who is the first Republican to publicly appear with Brown at this type of event.

Brown emphasized that he was ready to make a deal with Republicans on whatever grounds he could negotiate: "And if I can get some pension reform over here and some regulatory reform over here, and maybe some taxes over here, I'm ready to do it."

Pension cuts featured prominently in a list of proposals released by Brown last month. He has raised the possibility of introducing 401(k) pensions to replace defined-benefit plans, and of imposing a pension benefit cap. (See "California's Democratic governor targets public pensions")

In a revealing remark, referring to the difficulties in reaching a budget agreement with the Republicans, Brown implicitly acknowledged the immense inequalities that exist not only in California, but across

the nation. "Here we are in the richest state in the richest nation in the world and we can't agree on the basis," he said, of what and how much to cut.

On April 22, the governor appealed to business leaders in a panel discussion at an IBM research facility in San Jose. When Carl Guardino, CEO of the Silicon Valley Leadership Group, asked the audience of some 300 California business leaders whether they supported Governor Brown, his question was met with applause. It was clear, however, that the sentiment was not unanimous, indicating concerns among this segment of the population that Brown's cuts do not go far enough.

Referring to the 20,000 layoff notices sent out to teachers, Brown stated, "You can't just blame the teachers, you can't blame the parents, you can't blame the kids." However, these are precisely the people who will bear the burden of the proposed cuts and tax extensions.

All sides of the official political establishment in California, as with budget discussions at the federal level and in states throughout the country, accept the basic premise: the working class must pay for the crisis produced by the speculation and corruption of the US financial aristocracy. This is despite the fact that a moderate wealth tax on California's richest residents would easily meet the budget shortfalls.

Brown is working closely with the trade unions to push through his proposals. The California Teachers Association (CTA), for example, accepts the proposed cuts to the state budget—only calling for the state legislature to pass Brown's tax extensions to forestall further cuts.

The CTA is currently promoting its "State of the Emergency" campaign, which calls on members and supporters to place pressure on the state legislature. Since Republicans have refused to provide the votes

needed to place Brown's regressive tax proposals on the June ballot, the CTA is now lobbying Brown and the Democrats to pass tax extensions without a special election.

CTA President David Sanchez is proposing "Wisconsin-style" protests to the state capitol during the week of May 9-13. The aim of the union, however, is to channel growing popular opposition in the state behind the Democratic Party, thereby suppressing any struggle against the cuts.

Workers need to draw the necessary political lessons from the struggles in Wisconsin, where popular calls for a general strike were opposed by the trade unions who worked with the Democratic Party to contain the movement and limit the demands to the recalling of Republican legislators.

The CTA was a major backer of Brown's campaign for governor, and the union continues to support him, even as he facilitates the dismantling of public education in California. "We will continue to help the governor," Sanchez recently stated. "He is our biggest ally."



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact